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OGC HAS REVIEWED.

Director

19 November 1948

General Counsel

Reimbursement for Mass Attendant at [REDACTED]

STATSPEC

1. We have made what we believe to be an exhaustive review of the laws, regulations, and decisions concerning the situation outlined in the accompanying file. As a result, we have reached certain conclusions and are in a position to make certain recommendations.

2. The conclusions are:

a. That there is no justification for the use of unvouchered funds to make any payments in connection with this case;

b. That there is no valid justification for payment by the Government of the entire amount to the mass attendant;

c. On the difference between what the employees are willing to refund and the amount paid by the Government, there is sufficient doubt as to the necessity for requiring collection from the certifying officer or the employees to justify arguing the point with the auditors or the Comptroller General if it is raised.

Recommendations: a. The amount the employees are willing to refund be immediately collected and forwarded to the Budget and Finance office in Washington for appropriate disposition;

b. That the certifying officer and the employees be informed that the question of further collections is not for final determination by this Agency but can be finally decided only by the Comptroller General but that this Agency will make every effort to justify this amount as a proper obligation of the Government on grounds we believe have at least some validity;

c. That the vouchers concerned be held for audit in the normal manner and not until the question is raised by the auditor should the issue be joined. At that time, we will try to convince the auditor of the validity of our contention that under the

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peculiar circumstances surrounding this case the overpayment need not be collected back. (The alternative would be immediate submission to the Comptroller General of the whole problem, but we feel this would somewhat weaken our point, and conceivably on normal audit, the issue may not be raised.)

3. A detailed memorandum outlining our arguments in support of the above conclusions and recommendations is attached.

LAWRENCE R. ECUSTON

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